GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:5385
ANSWERED ON:28.04.2000
FINANCIAL ASSISTANCE TO TEXTILE MILLS OF MAHARASHTRA
ANANT GANGARAM GEETE

Will the Minister of TEXTILES be pleased to state:

(a) whether the Union Government have provided financial assistance of Rs. 61.71crores to 18 Textile Mills of Tamil Nadu for adopting advanced technology;

(b) if so, the details thereof alongwith the arrangements finalised for such assistance;

(c) whether the Union Government propose to provide similar financial assistance to textile mills of Maharashtra;

(d) if so, the details thereof; and

(e) if not, reasons therefor?

Answer

MINISTER OF STATE FOR TEXTILES

(SHRI GINGEE N. RAMACHANDRAN)

(a) to (c) : The Government of India, Ministry of Textiles has launched a Technology Upgradation Fund Scheme (TUFS) for Textile and Jute Industries which is in operation since 01.04.1999 for a period of 5 years, i.e., up to 31.03.2004. Any eligible textile/jute unit can avail of funds within the framework of the aforesaid scheme and normal financial norms of the concerned financial institution/bank. It is an open-ended scheme depending on the capacity of the industry to absorb funds in bankable and techno-economically feasible proposals. Government funding is limited to reimbursement of interest at 5% point on the interest charged by the lending agency on a project of technology upgradation in conformity with the scheme. The scheme is applicable for whole of the country and not for any particular state. As on 31.3.2000, approximately Rs. 2002 crore has been sanctioned by the Nodal Agencies to the 234 mills.Against this approximately an amount of Rs. 584 crore has been disbursed to 121 mills.